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SENATE BILL 60

49TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2009

INTRODUCED BY

Richard C. Martinez

FOR THE MORTGAGE FINANCE AUTHORITY ACT OVERSIGHT COMMITTEE

AN ACT

RELATING TO HOUSING; AMENDING SECTIONS OF THE MUNICIPAL HOUSING
LAW; EXPANDING ELIGIBILITY TO MODERATE-INCOME PERSONS;
INCLUDING ELIGIBILITY FOR AFFORDABLE HOUSING PROGRAMS;
PROVIDING FOR MULTI-JURISDICTIONAL HOUSING AUTHORITIES;
REVISING THE GOVERNANCE AND OVERSIGHT OF MUNICIPAL HOUSING
AUTHORITIES; DECLARING AN EMERGENCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 3-45-1 NMSA 1978 (being Laws 1965,
Chapter 300, Section 14-46-1) is amended to read:

"3-45-1. MUNICIPAL HOUSING LAW--SHORT TITLE.--~~[Sections
14-46-1 through 14-46-25 New Mexico Statutes Annotated, 1953
Compilation]~~ Chapter 3, Article 45 NMSA 1978 may be cited as
the "Municipal Housing Law"."

Section 2. Section 3-45-2 NMSA 1978 (being Laws 1965,
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1 Chapter 300, Section 14-46-2) is amended to read:

2 "3-45-2. FINDING AND DECLARATION OF NECESSITY.--It is
3 hereby declared that:

4 A. [~~insanitary~~] unsanitary or unsafe dwelling
5 accommodations exist in the state;

6 B. persons of low and moderate income are forced to
7 reside in such [~~insanitary~~] unsanitary or unsafe
8 accommodations;

9 C. within the state, there is a shortage of safe or
10 sanitary dwelling accommodations available at rents [~~which~~]
11 that persons of low and moderate income can afford and that
12 such persons are forced to occupy overcrowded, congested
13 dwelling accommodations and that the aforesaid conditions cause
14 an increase in and spread of disease and crime and constitute a
15 menace to the health, safety [~~morals~~] and welfare of the
16 residents of the state and impair economic values;

17 D. these conditions necessitate excessive and
18 disproportionate expenditures of public funds for crime
19 prevention and punishment, public health and safety, fire and
20 accident protection and other public services and facilities;

21 E. these areas in the state cannot be cleared nor
22 can the shortage of safe and sanitary dwellings for persons of
23 low and moderate income be relieved through the operation of
24 private enterprise and that the construction of housing
25 projects for persons of low and moderate income, as [~~herein~~]

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1 defined in the Municipal Housing Law, would therefore not be
2 competitive with private enterprise;

3 F. the clearance, replanning and reconstruction of
4 the areas in which [~~insanitary~~] unsanitary or unsafe housing
5 conditions exist and the providing of safe and sanitary
6 dwelling accommodations for persons of low and moderate income
7 are public uses and purposes for which public money may be
8 spent and private property acquired and are governmental
9 functions of state and municipal concern; and

10 G. it is in the public interest that work on
11 projects for such purposes be commenced as soon as possible in
12 order to relieve [~~unemployment~~] a shortage of affordable
13 housing, which now constitutes an emergency; and the necessity
14 in the public interest for the provisions [~~herein after~~]
15 enacted [~~it~~] by the Municipal Housing Law is hereby declared as
16 a matter of legislative determination."

17 Section 3. Section 3-45-3 NMSA 1978 (being Laws 1965,
18 Chapter 300, Section 14-46-3, as amended) is amended to read:

19 "3-45-3. DEFINITIONS.--The following terms, wherever used
20 or referred to in the Municipal Housing Law, shall have the
21 following respective meanings:

22 A. "city" means any municipality and, unless the
23 context otherwise clearly indicates, any county. "The city"
24 means the particular city or county for which a particular
25 housing authority is created. "County" means any county;

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1 B. "governing body" means, in the case of a city,
2 the council or board of commissioners and, in the case of other
3 state public bodies, the council, commissioners, board or other
4 body having charge of the fiscal affairs of [~~such~~] the state
5 public body;

6 C. "mayor" means the mayor of the city or the
7 officer charged with the duties customarily imposed on the
8 mayor or executive head of a city. In the case of a county,
9 the term "mayor" means the [~~county~~] board of county
10 commissioners;

11 D. "clerk" means the city recorder, the county
12 clerk or the officer charged with the duties customarily
13 imposed on [~~such~~] the clerk;

14 E. "area of operation" includes all of the city or,
15 in the case of a county, includes all of the county, except
16 [~~such~~] the area shall not include any area [~~which~~] that lies
17 within the boundaries of any city that has an established
18 housing authority or housing agency without the consent of
19 [~~such~~] the city. Upon approval by the governing bodies of the
20 cities involved, the area of operation of one city pursuant to
21 the Municipal Housing Law may be enlarged to include the area
22 within the boundaries of any other city. Any subsequent
23 withdrawal of consent of a city for operation within its
24 boundaries by another [~~county or~~] city shall not prohibit the
25 development and operation of any housing projects initiated in

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1 [such] the city [~~by a county or~~] by another city prior to the
2 date of withdrawal;

3 F. "authority" or "housing authority" means any
4 agency or other instrumentality of a city [~~or county~~] created
5 pursuant to the Municipal Housing Law;

6 G. "state public body" means any county, municipal
7 corporation, commission, district, authority, other subdivision
8 or public body of the state;

9 H. "federal government" includes the United States
10 of America, the [~~public housing administration~~] federal
11 department of housing and urban development or any other agency
12 or instrumentality, corporate or otherwise, of the United
13 States of America;

14 I. "slum" means any area where dwellings
15 predominate [~~which~~] that by reason of dilapidation,
16 overcrowding, blight or lack of ventilation, light or sanitary
17 facilities or any combination of these factors, are detrimental
18 to the safety, health or [~~morals~~] well-being of the occupants
19 or to surrounding properties;

20 J. "housing project" means any work or undertaking
21 of the city:

22 (1) to demolish, clear or remove buildings
23 from any slum area. [~~Such~~] The work or undertaking may embrace
24 the adaptation of [~~such~~] the area to public purposes, including
25 parks or other recreational or community purposes;

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1 (2) to provide decent, safe and sanitary
2 dwellings, apartments, single-family dwellings or other
3 affordable living accommodations for persons of low and
4 moderate income. [~~Such~~] The work or undertaking may include
5 buildings, land, equipment, facilities and other real or
6 personal property for necessary convenient or desirable
7 appurtenances, streets, sewers, water service, parks, site
8 preparation, gardening, administrative, community, health,
9 recreational, welfare or other purposes; or

10 (3) to accomplish a combination of the
11 foregoing.

12 The term "housing project" also may be applied to the
13 planning of the buildings and improvements, the acquisition of
14 property or existing structures, the demolition of existing
15 structures, the construction, reconstruction, alteration and
16 repair of the improvements and all other work in connection
17 therewith;

18 [~~K. "persons of low income" means persons or~~
19 ~~families who lack the amount of income which is necessary, as~~
20 ~~determined by the city undertaking the housing project, to~~
21 ~~enable them, without financial assistance, to live in decent,~~
22 ~~safe and sanitary dwellings without overcrowding;]~~

23 K. "low-income person" means any individual, couple
24 or family whose gross income does not exceed eighty percent of
25 that person's particular area median income and who cannot

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1 afford to pay more than thirty-five percent of gross annual
2 income for housing rent or mortgage payments or a "low-income
3 person" as defined by the federal government;

4 L. "bonds" means any bonds, notes, interim
5 certificates, debentures or other obligations issued by a city
6 pursuant to the Municipal Housing Law;

7 M. "real property" includes all lands, including
8 improvements and fixtures ~~[thereon]~~ on the lands and property
9 of any nature appurtenant ~~[thereto]~~ to the lands or used in
10 connection ~~[therewith]~~ with the lands, and every estate,
11 interest and right, legal or equitable, therein, including
12 terms for years and liens by way of judgment, mortgage or
13 otherwise and the indebtedness secured by such liens; ~~[and]~~

14 N. "obligee" includes any holder of bonds issued
15 pursuant to the Municipal Housing Law, trustees for any such
16 bondholders, or lessor demising to a city property used in
17 connection with a housing project, or any assignee or assignees
18 of ~~[such]~~ the lessor's interest or any part ~~[thereof]~~ of the
19 lessor's interest and the federal government when it is a party
20 to any contract with a city in regard to a housing project;

21 O. "affordable housing" means any housing
22 accommodations that serve the needs of low- and moderate-income
23 persons;

24 P. "affordable housing program" means an ongoing
25 delivery system of affordable housing services that assists

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1 persons of low and moderate income;

2 Q. "moderate-income person" means any individual,
3 couple or family whose gross annual income is not less than
4 eighty percent of that person's particular area median income
5 and does not exceed one hundred twenty percent of that area
6 median income;

7 R. "multi-jurisdictional housing authority" means
8 two or more housing authorities joined or cooperating for the
9 purposes of consolidating administrative duties and obligations
10 and providing more effective and efficient housing projects and
11 programs within their jurisdictions; and

12 S. "immediate family member" means:

13 (1) a spouse, including a former spouse, a de
14 facto spouse or a former de facto spouse;

15 (2) a child or an adult child, including an
16 adopted child, a step-child or an ex-nuptial child;

17 (3) a parent or a step-parent;

18 (4) a grandparent;

19 (5) a grandchild;

20 (6) a sibling or a step-sibling;

21 (7) a first cousin;

22 (8) an aunt or an uncle;

23 (9) a father-in-law or a mother-in-law;

24 (10) a sister-in-law or a brother-in-law; and

25 (11) any other relative who is financially

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1 supported."

2 Section 4. Section 3-45-4 NMSA 1978 (being Laws 1965,
3 Chapter 300, Section 14-46-4, as amended) is amended to read:

4 "3-45-4. POWERS.--

5 A. Every city, in addition to other powers
6 conferred by [~~Sections 14-46-1 through 14-46-25 NMSA 1953~~] the
7 Municipal Housing Law, may:

8 [A.] (1) within its area of operation,
9 prepare, carry out, acquire, purchase, lease, construct,
10 reconstruct, improve, alter, extend or repair any housing
11 project [~~or projects~~] or any part [~~thereof~~] of a housing
12 project and operate and maintain [~~such~~] the housing project [~~or~~
13 ~~projects~~], and for any of [~~such~~] those purposes, the governing
14 body of the city may appropriate money and authorize the use of
15 any property of [~~such~~] the city;

16 [B.] (2) purchase its bonds issued pursuant to
17 [~~Sections 14-46-1 through 14-46-25 NMSA 1953~~] the Municipal
18 Housing Law at a price not more than the principal amount
19 thereof and accrued interest, all bonds so purchased to be
20 [~~cancelled~~] canceled;

21 [C.] (3) lease or rent any dwellings, houses,
22 accommodations, lands, buildings, structures or facilities
23 embraced in any housing project and, subject to the limitations
24 contained in [~~Sections 14-46-1 through 14-46-25 NMSA 1953~~] the
25 Municipal Housing Law, establish and revise the rents or

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1 charges therefor; own, hold and improve real or personal
2 property; purchase, lease, obtain options upon, acquire by
3 gift, grant, bequest, devise or otherwise any real or personal
4 property or any interest [~~therein~~] in real or personal
5 property; acquire by the exercise of the power of eminent
6 domain any real property; sell, lease, exchange, transfer,
7 assign, pledge or dispose of any real or personal property or
8 any interest [~~therein~~] in real or personal property; and
9 procure or agree to the procurement of insurance or guarantees
10 from the federal government of the payment of any bonds or
11 parts [~~thereof~~] of any bonds issued pursuant to [~~Sections~~
12 ~~14-46-1 through 14-46-25 NMSA 1953~~] the Municipal Housing Law,
13 including the power to pay premiums on any such insurance;

14 [~~D.~~] (4) enter on any lands, buildings or
15 property for the purpose of making surveys, soundings and
16 examinations in connection with the planning or construction or
17 both of any housing project;

18 [~~E.~~] (5) insure or provide for the insurance
19 of any housing project of the city against such risks as the
20 city may deem advisable;

21 [~~F.~~] (6) arrange or contract for the
22 furnishing by any person or agency, public or private, of
23 services, privileges, works or facilities for or in connection
24 with a housing project or the occupants [~~thereof~~] of a housing
25 project; and include in any construction contract let in

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1 connection with a housing project stipulations requiring that
2 the contractor and any subcontractors comply with employment
3 requirements, including those in the constitution and laws of
4 this state, as to minimum wages and maximum hours of labor and
5 comply with any conditions [~~which~~] that the federal government
6 may have attached to its financial aid of the project;

7 [~~G.~~] (7) within its area of operation,
8 investigate the living, dwelling and housing conditions and the
9 means and methods of improving [~~such~~] the conditions; determine
10 where slum areas exist or where there is a shortage of decent,
11 safe and sanitary dwelling accommodations for persons of low
12 and moderate income; make studies and recommendations relating
13 to the problem of clearing, replanning and reconstructing slum
14 areas and the problem of providing dwelling accommodations for
15 persons of low and moderate income and cooperate with the state
16 or any political subdivision [~~thereof~~] of the state in action
17 taken in connection with [~~such~~] the problems; and engage in
18 research, studies and experimentation on the subject of housing
19 and affordable housing programs; and

20 [~~H.~~] (8) exercise all or any part or
21 combination of powers herein granted. [~~and~~

22 [~~F.~~] B. Any two or more cities or authorities may
23 join or cooperate with one another in the exercise, either
24 jointly or otherwise, of any or all of their powers for the
25 purpose of financing, including the issuance of bonds, notes or

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1 other obligations and giving security therefor, or contracting
2 with respect to [~~a~~] housing [~~project or~~] projects or affordable
3 housing programs located within the area of operation of any
4 one or more of [~~said~~] the cities or authorities. For [~~such~~]
5 that purpose, a city or authority may, by resolution, prescribe
6 and authorize any other city or authority so joining or
7 cooperating with it to act on its behalf with respect to any or
8 all powers, as its agent or otherwise, in the name of the city
9 or authority so joining or cooperating or in its own name."

10 Section 5. Section 3-45-5 NMSA 1978 (being Laws 1965,
11 Chapter 300, Section 14-46-5, as amended) is amended to read:

12 "3-45-5. CREATION OF AUTHORITY.--

13 A. Every city, in addition to other powers
14 conferred by the Municipal Housing Law, shall have power and is
15 [~~hereby~~] authorized, by proper resolution of its governing
16 body, to create, as an agent of [~~such~~] the city, an authority
17 to be known as the "housing authority" of the city. The
18 housing authority of the city may constitute a public body
19 corporate. The city may delegate to [~~such~~] the authority the
20 power to construct, maintain, operate and manage any housing
21 project or [~~projects~~] affordable housing programs of the city
22 and may delegate to the authority any or all of the powers
23 conferred on the city by the Municipal Housing Law.

24 B. When the governing body of a city adopts a
25 resolution pursuant to Subsection A of this section, the mayor

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1 shall appoint five persons as commissioners of the authority
2 created as agent for the city. The commissioners who are first
3 appointed shall be designated to serve for terms of one, two,
4 three, four and five years, respectively, from the date of
5 their appointment, but thereafter, commissioners shall be
6 appointed for a term of office of five years, except that all
7 vacancies shall be filled for the unexpired term. A
8 commissioner of an authority shall not hold any other office or
9 employment of the city for which the authority is created. A
10 commissioner shall hold office until [~~his~~] a successor has been
11 appointed and has qualified, unless sooner removed according to
12 law. A commissioner may serve two or more successive terms of
13 office. A certificate of the appointment or reappointment of
14 any commissioner shall be filed with the clerk, and the
15 certificate shall be conclusive evidence of the due and proper
16 appointment of [~~such~~] the commissioner. A commissioner shall
17 receive no compensation for [~~his~~] services for the authority in
18 any capacity, but [~~he~~] shall be entitled to the necessary
19 expenses, including traveling expenses, incurred in the
20 discharge of [~~his~~] duties.

21 C. Two or more cities joined together pursuant to
22 Subsection B of Section 3-45-4 NMSA 1978 shall establish their
23 commissioners in accordance with Subsection B of this section,
24 except that each city shall have equitable representation on
25 the commission. The commissioners representing each city shall

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1 be appointed by the mayor of the city.

2 [~~G-~~] D. Any powers delegated by a city to an
3 authority shall be vested in the commissioners of the authority
4 in office from time to time. Three commissioners shall
5 constitute a quorum of the authority for the purpose of
6 conducting its business and exercising its powers and for all
7 other purposes. Action may be taken by the authority upon a
8 vote of a majority of the commissioners present. The
9 commission shall organize itself at its annual meeting each
10 even-numbered year. Any city creating a housing authority may
11 authorize the authority to employ a secretary, who shall be
12 executive director and who shall be removable only for cause.
13 With the delegated authority from the commission, the executive
14 director may hire or terminate, according to the procurement and
15 personnel policies and procedures of the authority, technical
16 experts and such other officers, attorneys, agents and
17 employees, permanent and temporary, as the authority may
18 require; [~~to~~] determine their qualifications, duties and
19 compensation; and [~~to~~] delegate to one or more of them such
20 powers or duties as the authority may deem proper."

21 Section 6. Section 3-45-6 NMSA 1978 (being Laws 1965,
22 Chapter 300, Section 14-46-6) is amended to read:

23 "3-45-6. [~~INTERESTED OFFICERS OR EMPLOYEES]~~ PROHIBITED
24 ACTIONS.--[No officer of a city or employee of its authority
25 shall acquire any interest direct or indirect in any housing

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1 ~~project or in any property included or planned to be included in~~
2 ~~any housing project of the city nor shall he have any interest~~
3 ~~direct or indirect in any contract or proposed contract for~~
4 ~~materials or services to be furnished or used in connection with~~
5 ~~any such housing project. If any officer of a city or employee~~
6 ~~of its authority owns or controls an interest direct or indirect~~
7 ~~in any property included or planned to be included in any~~
8 ~~housing project of such a city, he immediately shall disclose~~
9 ~~the same in writing to the governing body of such city, and such~~
10 ~~disclosure shall be entered upon the minutes of the governing~~
11 ~~body. The failure so to disclose such interest shall constitute~~
12 ~~misconduct in office. Upon such disclosure, such officer or~~
13 ~~employee shall not participate in any action by the city~~
14 ~~affecting such property.] Neither a housing authority nor any of~~
15 ~~its contractors or their subcontractors may enter into any~~
16 ~~contract, subcontract or agreement in connection with a housing~~
17 ~~project under any contract in which any of the following persons~~
18 ~~has an interest, direct or indirect, during the person's tenure~~
19 ~~or for one year thereafter:~~
20 A. any present or former member of the commission of
21 the housing authority or any member of the member's immediate
22 family. The prohibition established by this subsection does not
23 apply to any member who has not served on the governing body of
24 a resident management corporation and who otherwise has not
25 occupied a policymaking position with the resident management

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1 corporation or the housing authority;

2 B. any employee of the housing authority who
3 formulates policy or who influences decisions with respect to a
4 housing project, any member of the employee's immediate family
5 or any partner of the employee; or

6 C. any public official, member of a governing body
7 or state legislator, or any member of that person's immediate
8 family, who exercises functions or responsibilities with respect
9 to the housing project or the housing authority."

10 Section 7. Section 3-45-7 NMSA 1978 (being Laws 1965,
11 Chapter 300, Section 14-46-7) is amended to read:

12 "3-45-7. REMOVAL OF COMMISSIONERS.--A commissioner of an
13 authority may be removed by the mayor, but only for
14 inefficiency, neglect of duty or misconduct in office and only
15 after ~~[he shall have]~~ the commissioner has been given a copy of
16 the charges at least ten days prior to the hearing ~~[thereon]~~ on
17 the charges and ~~[have]~~ has had an opportunity to be heard in
18 person or by counsel. In the event of the removal of any
19 commissioner by the mayor, a record of the proceedings, together
20 with the charges and findings ~~[thereon]~~, shall be filed in the
21 office of the clerk. Commissioners may be removed for cause
22 based on noncompliance with housing program regulations."

23 Section 8. Section 3-45-9 NMSA 1978 (being Laws 1965,
24 Chapter 300, Section 14-46-9, as amended) is amended to read:

25 "3-45-9. OPERATION NOT FOR PROFIT.--It is declared to be

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1 the policy of this state that each city shall manage and operate
2 its housing projects and affordable housing programs in an
3 efficient manner so as to enable it to fix the rentals for
4 dwelling accommodations at the lowest possible rates consistent
5 with its providing decent, safe and sanitary dwelling
6 accommodations and that no city shall construct or operate any
7 housing project for profit. To this end, a city shall [~~fix~~] set
8 the [~~rentals~~] rental rates for dwellings in the housing projects
9 it manages and operates at no higher rates than it finds to be
10 necessary in order to produce revenues [~~which~~] that, together
11 with any grants or subsidies from the federal government or
12 other sources for housing projects, will be sufficient:

13 A. to pay, as they become due, the principal and
14 interest on the bonds or other obligations of the city issued
15 under the Municipal Housing Law;

16 B. to meet the cost of and to provide for
17 maintaining and operating the housing projects and affordable
18 housing programs, including the cost of any insurance, the
19 administrative expenses of the city incurred in connection with
20 the housing projects and affordable housing programs and the
21 funding of any operational reserves as the authority [~~shall~~
22 ~~deem~~] deems appropriate;

23 C. to fund such reserves to secure the payment of
24 its bonds as the authority [~~shall deem~~] deems appropriate or
25 convenient; and

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1 D. to allow private, profit-making entities to enter
2 into agreements with the authority, and such agreements shall
3 not be deemed to affect the nonprofit status of the authority or
4 conflict with the intent of the creation of the authority."

5 Section 9. Section 3-45-10 NMSA 1978 (being Laws 1965,
6 Chapter 300, Section 14-46-10, as amended) is amended to read:

7 "3-45-10. SALES, RENTALS AND TENANT SELECTION.--

8 A. In the operation or management of housing
9 projects and affordable housing programs or the sale of any
10 property pursuant to the Municipal Housing Law, a city shall at
11 all times observe the following duties with respect to rentals,
12 property and tenant selection:

13 (1) it may rent, lease or sell the dwelling
14 accommodations in the housing project and affordable housing
15 programs only to persons falling within ~~[the]~~ federally
16 established standards ~~[adopted by the authority];~~

17 (2) it may rent, lease or sell to a tenant
18 dwelling accommodations consisting of the number of rooms, but
19 no greater number, ~~[which]~~ that it deems necessary to provide
20 safe and sanitary accommodations to the proposed occupants
21 without overcrowding; and

22 (3) it shall not accept any person as a tenant
23 in any housing program if ~~[he]~~ the person has an annual net
24 income in excess of federally established standards.

25 B. Nothing contained in this section or Section

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1 3-45-9 NMSA 1978 shall be construed as limiting the power of a
2 city to vest in an obligee the right, in the event of a default
3 by the city, to take possession and operate [~~a~~] housing
4 [~~project~~] projects or affordable housing programs or cause the
5 appointment of a receiver thereof, free from all the
6 restrictions imposed by this section or Section 3-45-9 NMSA
7 1978."

8 Section 10. Section 3-45-12 NMSA 1978 (being Laws 1965,
9 Chapter 300, Section 14-46-12, as amended) is amended to read:

10 "3-45-12. FORM AND SALE OF BONDS--INTEREST ON CERTAIN
11 OBLIGATIONS.--

12 A. Bonds of a city issued under the Municipal
13 Housing Law shall be authorized by its resolution and may be
14 issued in any one or more series and shall bear such date [~~or~~
15 ~~dates~~], mature at such time [~~or times~~], bear interest at such
16 rate [~~or rates~~], be in such denomination [~~or denominations~~], be
17 in such form, either coupon or registered, carry such conversion
18 or registration privileges, have such rank or priority, be
19 executed in such manner, be payable in such medium of payment at
20 such place [~~or places~~] and be subject to such terms of
21 redemption, with or without premium, as the resolution, its
22 trust indenture or the bond so issued may provide.

23 B. Obligations issued by a city [~~which~~] that are
24 true loan obligations made to the farmers home administration of
25 the United States department of agriculture or the department of

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1 housing and urban development may bear interest at a rate of
2 interest not exceeding par.

3 C. The bonds shall be sold at not less than par at
4 public sale held after notice published once at least five days
5 prior to the sale in a newspaper having a general circulation in
6 the city jurisdiction and in a financial newspaper published in
7 the city of San Francisco, California, or in the city of New
8 York, New York; provided that the bonds may be sold to the
9 federal government at private sale at not less than par, and, in
10 the event less than all of the bonds authorized in connection
11 with any housing project [~~or projects~~] are sold to the federal
12 government, the balance of [~~such~~] the bonds may be sold at
13 private sale at not less than par at an interest cost to the
14 city [~~of~~] not to exceed the interest cost to the city of the
15 portion of the bonds sold to the federal government.

16 D. In case any of the officers of the city, the
17 authority or any of its instrumentalities whose signatures
18 appear on any bonds or coupons cease to be officers before the
19 delivery of the bonds, [~~such~~] the signatures shall,
20 nevertheless, be valid and sufficient for all purposes the same
21 as if the officers had remained in office until delivery. Any
22 provision of any law to the contrary notwithstanding, any bonds
23 issued pursuant to the Municipal Housing Law shall be fully
24 negotiable.

25 E. In any suit, action or proceedings involving the

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1 validity or enforceability of any bond of a city or the security
2 [~~therefor~~] for the bond, any such bond reciting in substance
3 that it has been issued by the city to aid in financing a
4 housing project to provide dwelling accommodations for persons
5 of low and moderate income shall be conclusively deemed to have
6 been issued for a housing project of [~~such~~] that character, and
7 the housing project shall be conclusively deemed to have been
8 planned, located and constructed in accordance with the purposes
9 and provisions of the Municipal Housing Law."

10 Section 11. Section 3-45-20 NMSA 1978 (being Laws 1965,
11 Chapter 300, Section 14-46-20) is amended to read:

12 "3-45-20. AID FROM STATE OR FEDERAL GOVERNMENT.--In
13 addition to the powers conferred upon a city by other provisions
14 of the Municipal Housing Law, a city is empowered to borrow
15 money or accept contributions, grants or other financial
16 assistance from the state or federal government for, or in aid
17 of, any housing project or affordable housing program within its
18 area of operation and, to these ends, to comply with such
19 conditions, trust indentures, leases or agreements as may be
20 necessary, convenient or desirable. It is the purpose and
21 intent of the Municipal Housing Law to authorize every city to
22 do any and all things necessary, convenient or desirable to
23 secure the financial aid or cooperation of the federal
24 government in the undertaking, acquisition, construction,
25 maintenance or operation of any housing project or affordable

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[bracketed material] = delete

1 housing program of [~~such~~] the city."

2 Section 12. Section 3-45-21 NMSA 1978 (being Laws 1965,
3 Chapter 300, Section 14-46-21) is amended to read:

4 "3-45-21. COOPERATION IN UNDERTAKING HOUSING PROJECTS OR
5 AFFORDABLE HOUSING PROGRAMS.--

6 A. For the purpose of aiding and cooperating in the
7 planning, undertaking, construction or operation of housing
8 projects or affordable housing programs located within the area
9 in which it is authorized to act, any state public body may,
10 upon such terms, with or without consideration, as it may
11 determine:

12 [~~A.~~] (1) dedicate, sell, convey or lease any
13 of its interest in any property or grant easements, licenses or
14 any other rights or privileges therein to any city;

15 [~~B.~~] (2) cause parks, playgrounds,
16 recreational, community, educational, water, sewer or drainage
17 facilities or any other works [~~which~~] that it is otherwise
18 empowered to undertake to be furnished adjacent to or in
19 connection with housing projects or affordable housing programs;

20 [~~C.~~] (3) furnish, dedicate, close, pave,
21 install, grade, regrade, plan or replan streets, roads,
22 roadways, alleys, sidewalks or other places [~~which~~] that it is
23 otherwise empowered to undertake;

24 [~~D.~~] (4) cause services to be furnished for
25 housing projects or affordable housing programs of the character

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underscored material = new
[bracketed material] = delete

1 ~~[which such]~~ that the state public body is otherwise empowered
2 to furnish;

3 ~~[E.]~~ (5) enter into agreements with respect to
4 the exercise by ~~[such]~~ the state public body of its powers
5 relating to the repair, elimination or closing of unsafe,
6 ~~[insanitary]~~ unsanitary or unfit dwellings;

7 ~~[F.]~~ (6) do any and all things necessary or
8 convenient to aid and cooperate in the planning, undertaking,
9 construction or operation of such housing projects;

10 ~~[G.]~~ (7) incur the entire expense of any
11 public improvements made by ~~[such]~~ the state public body in
12 exercising the powers granted in the Municipal Housing Law; and

13 ~~[H.]~~ (8) enter into agreements ~~[which]~~ that
14 may extend over any period, notwithstanding any provision or
15 rule of law to the contrary, with any city or multi-
16 jurisdictional housing authority as agent therefor, respecting
17 action to be taken by ~~[such]~~ the state public body pursuant to
18 any of the powers granted by the Municipal Housing Law.

19 B. Any law or statute to the contrary
20 notwithstanding, any sale, conveyance, lease or agreement
21 provided for in this section may be made by a state public body
22 without appraisal, public notice, advertisement or public
23 bidding.

24 C. In the event an authority is declared by the
25 federal department of housing and urban development to be in

underscored material = new
[bracketed material] = delete

1 default on its annual contributions contract with that
2 department, the authority may, by resolution of its governing
3 body, transfer its assets and operation to another housing
4 authority, including a multi-jurisdictional housing authority or
5 regional housing authority. The multi-jurisdictional housing
6 authority or regional housing authority shall accept, by
7 resolution of its governing board, a transfer of assets and
8 operations of an authority that has been declared by the federal
9 department of housing and urban development to be in default of
10 the annual contributions contract between that department and
11 the authority."

12 Section 13. EMERGENCY.--It is necessary for the public
13 peace, health and safety that this act take effect immediately.